



DISASTER NEWS

Economic Injury Loans for Small Businesses

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SBA To Assist California Small Businesses Affected By the Recent Freeze, Will Offer Low Interest Loans to Impacted Firms

Sacramento, CA - Steven C. Preston, Administrator of the U.S. Small Business Administration (SBA) announced today that low-interest loans will be available to small businesses that have suffered financial losses due to this month's freeze damage to crops.

Preston's action responds to a January 22, 2007 request from Governor Arnold Schwarzenegger for the SBA to declare a disaster due to the freezing temperatures that affected crops beginning on January 11. The declaration covers the California counties of:

Alameda	Butte	Colusa	Contra Costa	Fresno	Glenn
Humboldt	Imperial	Inyo	Kern	Kings	Lake
Los Angeles	Madera	Mariposa	Mendocino	Merced	Mono
Monterey	Napa	Orange	Riverside	San Benito	San Bernardino
San Diego	San Francisco	San Joaquin	San Luis Obispo	San Mateo	Santa Barbara
Santa Clara	Santa Cruz	Sonoma	Stanislaus	Tehama	Trinity
Tulare	Tuolumne	Ventura	Yolo		

The declaration also covers the neighboring counties of La Paz, Mohave and Yuma in Arizona and Clark in Nevada.

"We look forward to working with small business owners who were affected by the severe freeze to make SBA disaster loans available to their small businesses," said Administrator Preston.

SBA's disaster declaration makes low-interest Economic Injury Disaster Loans available to small, non-farm businesses who have suffered financial losses due to the freeze itself or due to freeze damage to crops such as citrus. SBA's declaration will make available these loans to small businesses that are dependent on growers of citrus and other freeze-impacted crops. Eligible small businesses also include those who do business directly with the growers or other agricultural producers such as packing houses, truckers, and suppliers of agricultural equipment or services. Owners of small "main street" businesses whose customers are dependent on agriculture income, such as diners, gas stations, markets, etc. may also apply for these disaster loans.

By law, agricultural enterprises such as citrus growers and vegetable growers are not eligible for SBA disaster assistance. Citrus and vegetable growers and farmers and ranchers should contact the U.S. Department of Agriculture (USDA) for information on assistance programs they may have available.

According to Alfred E. Judd, Director of SBA's Disaster Field Operations Center - West, SBA is offering working capital loans of up to \$1.5 million at an interest rate of 4 percent with terms up to 30 years. "These loans may be used to pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact. The loans also can provide vital economic assistance to small businesses to help them overcome the loss of revenue they are experiencing," said Judd.

"SBA disaster customer service representatives will be on hand at the following 32 Disaster Loan Outreach Centers to issue loan applications, answer questions about SBA's Economic Injury Disaster Loan program, explain the application process and help each individual complete their application," said Bruce Thompson, SBA's Regional Administrator for California.

Small business owners unable to visit an SBA Disaster Loan Outreach Center may also obtain information by calling toll-free (800) 659-2955. Hearing impaired individuals may call toll-free (800) 877-8339. Or visit SBA's website at www.sba.gov/services/disasterassistance. The deadline to apply for these loans is **October 24, 2007**.

(See attached list for locations and hours of operation)